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Groups of countries in special situations: specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation

Letter dated 28 September 2012 from the Permanent Representative of Kazakhstan to the United Nations addressed to the Secretary-General

I have the honour to attach the text of the report of the High-level Global Thematic Meeting on International Trade, Trade Facilitation and Aid for Trade, including its outcome document, held in Almaty, Kazakhstan, on 13 and 14 September 2012, as part of the preparatory process for the comprehensive 10-year review conference on the implementation of the Almaty Programme of Action, mandated by the General Assembly in its resolution 66/214 of 22 December 2011 (see annex).

I should be grateful if you would have the present letter and its annex circulated as a document of the sixty-seventh session of the General Assembly, under agenda item 23 (b).

(*Signed*) Byrganym **Aitimova**
Permanent Representative

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Annex to the letter dated 28 September 2012 from the Permanent Representative of Kazakhstan to the United Nations addressed to the Secretary-General

Report of the High-level Global Thematic Meeting on International Trade, Trade Facilitation and Aid for Trade, preparatory to the comprehensive 10-year review conference on the implementation of the Almaty Programme of Action

Almaty, Kazakhstan, 13 and 14 September 2012

I. Introduction

1. The Almaty Programme of Action, adopted by the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, held in Almaty, Kazakhstan, in 2003, recognized the special needs and challenges faced by the landlocked developing countries in achieving their development goals. The objective of the Programme is to establish a new global framework for developing efficient transit transport systems, taking into account the interests of both landlocked and transit developing countries, that will help landlocked developing countries to overcome their inherent geographical difficulties and provide support for their efforts to eradicate poverty, sustain economic growth and better integrate into the world economy.

2. The General Assembly, in its resolution 66/214, decided to hold a comprehensive 10-year review conference on the Almaty Programme of Action in 2014, in accordance with paragraph 49 of the Almaty Programme of Action and paragraph 32 of the Declaration on the midterm review (see General Assembly resolution 63/2). The comprehensive 10-year review conference will be preceded, where necessary, by global, regional and thematic preparations in the most effective, well-structured and broad participatory manner.

3. The Almaty High-level Global Thematic Meeting on International Trade, Trade Facilitation and Aid for Trade marked the beginning of the global preparatory process for the comprehensive 10-year review conference on the Almaty Programme of Action, to be held in 2014. The outcome of the Thematic Meeting will serve as substantive input to the review conference.

4. The Thematic Meeting brought together trade ministers and senior officials responsible for trade from landlocked and transit developing countries, representatives of donor countries, United Nations system organizations, international financial institutions and relevant regional and subregional organizations, with a view to reviewing and assessing the progress made in the implementation of priority 3 of the Almaty Programme of Action. The Meeting also deliberated on future actions needed to enhance the participation of landlocked developing countries in the international trading system while further strengthening the global partnership for establishing efficient transit transport systems.

5. The Thematic Meeting elected Mrs. Zhanar Aitzhanova, Minister of Economic Integration of Kazakhstan, as Chairperson. The heads of delegation of the Lao

People's Democratic Republic and Turkey were elected as Vice-Chairmen. The head of delegation of Italy was elected as Vice-Chairman-cum-Rapporteur. On 14 September 2012, the Thematic Meeting adopted the Chairperson's summary (see appendix).

6. The opening session of the meeting was attended by Mrs. Aitzhanova, Mr. Nam Viyaketh, Minister of Industry and Commerce, Lao People's Democratic Republic, Chairman of the Group of Landlocked Developing Countries, Mr. Manuel Maria Cáceres, Vice-Minister for International Economic Relations and Integration of Paraguay, Coordinator of the Group of Landlocked Developing Countries on matters related to trade and development in Geneva, Mr. Gyan Chandra Acharya, Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, Ms. Valentine Rugwabiza, Deputy Director-General, World Trade Organization (WTO), and Mr. Martin Marmy, Secretary-General of the International Road Transport Union.

7. The Meeting was attended by 150 participants. Twenty-seven landlocked developing countries and five transit developing countries were represented, as well as other States Members of the United Nations, such as Germany, Hungary, Italy, Libya, Spain, Turkey and the United Kingdom of Great Britain and Northern Ireland. The European Union also attended, as well as 16 international and regional development and financial organizations.

II. Opening session

8. **Mrs. Aitzhanova, Minister of Economic Integration of Kazakhstan**, in her opening statement, said that as the first 10 years of the Almaty Programme of Action were drawing near and the international community had started preparations for the 10-year review conference, as mandated by the General Assembly in its resolution 66/214, it was important to review the Almaty priority area on international trade and trade facilitation, to examine the major achievements and constraints experienced by the landlocked developing countries, and to identify recommendations to further advance the goal of fully integrating the landlocked developing countries into the multilateral trading system.

9. **Mr. Viyaketh, Minister of Industry and Commerce, Lao People's Democratic Republic, Chairman of the Group of Landlocked Developing Countries**, underscored the fact that the Thematic Meeting provided a critical opportunity to assess what had been achieved thus far and what could have been done better with a view to achieving the Almaty Programme objectives before the end of the decade. He added that the Group of Landlocked Developing Countries was ready to engage constructively in the task of preparing effectively and efficiently for the all-important 10-year review conference on the implementation of the Almaty Programme. He called for a renewal of the Almaty spirit partnership in order to work towards an enhanced new action framework that would redefine priority areas and concrete measures to ensure that landlocked developing countries were set on a sustainable path towards a better future for their people.

10. **Mr. Cáceres, Vice-Minister for International Economic Relations and Integration of Paraguay, Coordinator of the Group of Landlocked Developing Countries on matters related to trade and development in Geneva**, noted that the

world had changed much since the adoption of the Almaty Programme of Action. He pointed to new challenges that the landlocked developing countries had to face and that should be taken into consideration in the preparation of the new programme of action in 2014. Among the new challenges were the question of access to international networks of communications technology and data transmission lines, energy production and trade, climate change, investment and services. He noted the importance of working in a coordinated way to seek greater financial support for national and subregional infrastructure projects to connect landlocked developing countries to international trade routes. He recalled the Millennium Declaration and invited all to approach the review conference in a genuine spirit of partnership, with specific focused support for the landlocked developing countries.

11. **Mr. Gyan Acharya, Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States**, stated that with less than two years to go, he would make sure that effective substantive preparations were undertaken with a view to laying solid ground for a successful 10-year review conference in 2014. He noted that notwithstanding the progress made, the economies of landlocked developing countries had not undergone the desired structural transformation and continued to depend on a few unprocessed export commodities. He underscored the crucial importance of trade and transport facilitation measures for landlocked developing countries and their coastal neighbours. He pointed to the need for political commitment, leadership and domestic ownership, to be supported by enhanced technical and financial cooperation. He invited the Thematic Meeting to aim high, with a view to an ambitious, results-oriented partnership framework for the new decade, one that addressed the landlocked developing countries' development needs and challenges in their broadest sense, rooted in the realities of their countries and strongly supported by the international community.

12. **Ms. Rugwabiza, Deputy Director-General, World Trade Organization**, noted that efforts were being made at WTO to see how best to address elements of the Doha Development Agenda which could potentially be harnessed while remaining true to the spirit of the single undertaking. Work on trade facilitation continued steadily and preparations were under way for the fourth Global Review on Aid for Trade, in July 2013. She outlined the benefits of accession to WTO and underscored the positive role that enhanced and streamlined trade facilitation procedures could play in the economic development of landlocked developing countries. She stressed that trade facilitation could be a major deliverable for that group and urged the Thematic Meeting to continue to address it as a priority.

13. **Mr. Martin Marmy, Secretary-General of the International Road Transport Union**, stated that from the outset, the International Road Transport Union had considered the Almaty Programme as an important core element of the international policy for facilitating road transport and enabling trade growth and development under the new market competition resulting from the globalization process. He noted that road transport not only was a transport mode but also had become a real production tool catalysing in every country economic growth and trade development. He informed the Thematic Meeting that the Transport Union's studies demonstrated that more than 40 per cent of total transport time was lost at borders owing to a lack of harmonization and inappropriate border crossing procedures. Very long waiting times appeared to be the best incentive for the development of illegal practices at the border points. He therefore stressed that the

facilitation and development of national and international road transport were the best tools to ensure in all countries — and, in particular, in landlocked countries — the required trade growth and economic development to improve the welfare of their citizens.

III. Exchange of views on the participation of landlocked developing countries in international trade and progress made in the area of trade facilitation and aid for trade

14. At the first session, dedicated to the progress made and challenges encountered in the implementation of the Almaty Programme of Action priority area 3 on international trade and trade facilitation, presentations were made by the following representatives:

- Mr. Sandagdorj Erdenebileg, Chief, Policy Development and Coordination, Monitoring and Reporting Service, Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States
- Ms. Eva Molnar, Director, Transport Division, Economic Commission for Europe (ECE)
- Mr. Ravi Ratnayake, Director, Trade and Investment Division, Economic and Social Commission for Asia and the Pacific
- Mr. Magdi Farahat, Principal Adviser on Trade, Geneva Interregional Advisory Services, Economic Commission for Africa

15. At the same session, Ms. Marlyn-Nathalie-Laelle Mouliom, Minister of Trade and Industry of the Central African Republic, and Mr. Mazhit Esenbayev, Chairman of the Customs Control Committee of the Ministry of Finance of Kazakhstan, presented their country experiences.

16. At the second session, on the role of trade facilitation in integrating the landlocked developing countries into the world market, presentations were made by the following representatives:

- Mrs. Valentine Rugwabiza, Deputy Director-General, WTO
- Ms. Anne Miroux, Director, Technology and Logistics Division, United Nations Conference on Trade and Development (UNCTAD)
- Mrs. Virginia Cram Martos, Director, Trade and Sustainable Land Management Division, ECE
- Mr. Evgeny Najov, Senior Economist, World Bank
- Mr. Gaozhang Zhu, Director of Compliance and Facilitation, World Customs Organization

17. Ms. Jabulile Mashwama, Minister of Commerce, Industry and Trade of Swaziland, shared her country experience, while Mrs. Patricia Frutos, Director for Multilateral Economic Organizations, Ministry of Foreign Affairs of Paraguay, presented the experience of her country in negotiating on trade facilitation for landlocked developing countries.

18. During the third session, focused on improving the trade competitiveness, productive capacities and investment climate of the landlocked developing countries, presentations were made by the following representatives:

- Mr. Guillermo Valles Galmés, Director, Division on International Trade in Goods and Services, and Commodities, UNCTAD
- Mr. Parvindar Singh, Chief, Policy, Programme Management and Evaluation Unit, Common Fund for Commodities
- Mr. Ankur Huria, Private Sector Development Specialist, International Trade and Investment Unit, World Bank

19. Mr. Robert Siching, Minister of Commerce, Trade and Industry of Zambia, shared his country experience.

20. In the morning of the second day, the fourth session was dedicated to the mobilization of international support measures for fuller integration of landlocked developing countries in global trade, including aid for trade, market access, official development assistance, foreign direct investment, South-South cooperation and support provided by the United Nations system and international organizations. Presentations were made by the following representatives:

- Mrs. Valentine Rugwabiza, Deputy Director-General, WTO
- Mrs. Aurélia Bouchez, Ambassador, Head of the European Union delegation to Kazakhstan
- Mr. Evgeny Najov, Senior Economist, World Bank
- Ms. Sheila Marnie, Central Asia Economist, United Nations Development Programme

21. The fifth session focused on the role of transit transport and ancillary infrastructure development for increased trade opportunities for landlocked developing countries. Presentations were made by the following representatives:

- Mr. Eduard Biriucov, Secretary-General, TRACECA (Transport Corridor Europe-Caucasus-Asia)
- Mr. Igor Rounov, Under-Secretary-General, International Road Transport Union
- Mr. Zhenis Kasymbek, Executive Secretary of the Ministry of Transport and Communications, Kazakhstan
- Mr. Murat Bekmagambetov, President, Kazakh Institute of Transport and Communications, Kazakhstan
- Mr. Wang Hong, Officer-in-Charge, Kazakhstan Resident Mission, Asian Development Bank
- Ms. Martine-Sophie Fouvez, Regional Adviser, ECE
- Ms. Jeannette Kloetzer, Deputy Head, Organization for Security and Cooperation in Europe Centre in Astana
- Mr. Evgeny Najov, Senior Economist, World Bank

IV. Closing session

22. The Thematic Meeting adopted the Chairperson's summary (see appendix).

23. The Chairperson and the Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States delivered closing remarks.

Appendix

Outcome document: Chairperson's summary

I. Introduction and mandate

1. The General Assembly, in its resolution 66/214, decided to hold a comprehensive 10-year review conference on the Almaty Programme of Action in 2014, in accordance with paragraph 49 of the Almaty Programme of Action and paragraph 32 of the Declaration on the midterm review. The conference will be preceded, where necessary, by global, regional and thematic preparations in the most effective, well-structured and broad participatory manner. Furthermore, the Assembly designated the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States as the United Nations system-wide focal point for the preparatory review process and noted that United Nations system organizations, including the United Nations Conference on Trade and Development (UNCTAD), the United Nations Development Programme (UNDP), the regional commissions and relevant international and regional development and financial organizations, within their respective mandates, should provide necessary support and actively contribute to the preparatory review process and the conference itself.

2. The Almaty Programme of Action, adopted by the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, held in Almaty, Kazakhstan, in 2003, recognized the special needs and challenges faced by the landlocked developing countries in achieving their development goals. The objective of the Programme is to establish a new global framework for developing efficient transit transport systems, taking into account the interests of both landlocked and transit developing countries, that will help landlocked developing countries to overcome their inherent geographical difficulties and support their efforts to eradicate poverty, sustain economic growth and better integrate into the world economy.

3. The Almaty High-level Global Thematic Meeting on International Trade, Trade Facilitation and Aid for Trade marked the beginning of the global preparatory process for the comprehensive 10-year review conference on the Almaty Programme of Action, to be held in 2014. The present outcome of the Thematic Meeting will serve as substantive input to the review conference. It should also be issued as a document of the forthcoming sixty-seventh session of the General Assembly of the United Nations.

4. The Thematic Meeting brought together trade ministers and senior officials responsible for trade from landlocked and transit developing countries, representatives of donor countries, United Nations system organizations, international financial institutions and relevant regional and subregional organizations, with a view to reviewing and assessing the progress made in the implementation of priority 3 of the Almaty Programme of Action (see attachment). The Meeting also deliberated on future actions needed to enhance the participation of landlocked developing countries (LLDCs) in the international trading system

while further strengthening the global partnership for establishing efficient transit transport systems.

II. Assessment of the current situation

5. Inherent geographical difficulties and poorly developed transport, communications and border management and logistics systems in both landlocked and transit developing countries hamper productivity, growth and poverty reduction. In addition, LLDCs depend on transit countries for transport and communications infrastructure, administrative processes in transit and interregional and intraregional collaboration. The Almaty Programme of Action has been instrumental in calling for landlocked and transit developing countries to refine their regulatory frameworks, increase their regulatory transparency and simplify border control and procedures.

6. The Almaty Programme of Action has made a positive impact in several areas to improve the ability of LLDCs to participate in international trade. The awareness of the challenges faced by LLDCs has increased globally. There has been increased visibility and recognition of LLDCs and their special needs at the international level and in the United Nations. Today, they are prominent on the international development agenda, including the Millennium Development Goals, the multilateral negotiations in the World Trade Organization (WTO), the Doha Declaration adopted at the UNCTAD XIII Conference and the outcome document, entitled "The Future We Want", of the United Nations Conference on Sustainable Development, held in Rio de Janeiro in June 2012.

7. During the period from 2003 to 2010, LLDCs as a group experienced an improvement in annual growth of gross domestic product from about 5 per cent to about 7 per cent. However, this growth has not been steady; it fluctuated to as low as 3 per cent in 2009.

8. LLDCs as a group have recorded an impressive trade performance in recent years. The value of their merchandise exports in nominal terms increased from US$ 33 billion in 2003 to $158 billion in 2010. However, despite this remarkable achievement, the share of the group in global trade is still modest, at 1.04 per cent in 2010, showing continued marginalization of LLDCs in the world economy. In addition, their exports tend to be concentrated in a few countries and in a few products. Six countries account for 70 per cent of total LLDC exports.

9. In terms of products, LLDC exports are highly dependent on natural resources, with crude oil and natural gas accounting for almost 60 per cent of the total, and minerals and metals accounting for the second largest category. However, commodity prices are accompanied by concomitant fluctuations and unpredictability, making LLDCs highly vulnerable to external price shocks that may greatly affect their economies. Conversely, exports less sensitive to transport and distance play only a marginal role. For example, trade in services other than tourism, which is of economic importance to a few LLDCs, is still limited and has low export value. Another concern is the limited diversification of the basket of goods.

10. Landlocked and transit developing countries have made some progress in implementing important policy reforms to remove physical and non-physical barriers to the effective participation of LLDCs in international trade. They have made some progress in ratifying relevant international conventions and agreements

on transit transport and trade facilitation. However, the progress in ratifying and implementing the agreements has been slow.

11. There has been some progress in the establishment of regional and subregional agreements that could provide a basis for simplification and harmonization of formalities and procedures. However, many of the agreements are not being fully implemented. Their effective implementation is important for landlocked developing countries to optimally benefit from improved transit measures.

12. LLDCs have also taken initiatives to strengthen and establish institutional mechanisms for coordinating work on national transit transport and trade facilitation. For example, they have created or strengthened existing national trade and transit transport facilitation boards or committees. These bodies have facilitated effective coordination and cooperation among all the relevant agencies responsible for international trade and transport facilitation. However, in some countries where national trade and transit transport facilitation boards or committees are separate, there is a need to coordinate their work in order to achieve better and effective results.

13. With support from partners, LLDCs and their transit neighbours have made some improvements in the development of transport and communications infrastructure. This is evidenced by various transit operations and infrastructure projects in Latin America, Africa and Asia. For example, notable progress has been made in the development and upgrading of both the Asian Highway and the Trans-Asian Railway networks; in South America, the Initiative for the Integration of Regional Infrastructure in South America has made progress in the development of transport, energy and telecommunications infrastructure in the region; and in Africa, the Programme for Infrastructure Development in Africa is being implemented to improve the connectivity of the continent.

14. LLDCs are increasingly benefiting from regional integration and new regional trade agreements. For example in Africa, the East African Community-Common Market for Eastern and Southern Africa-Southern African Development Community Tripartite Arrangement, which was created in 2009, is geared towards the establishment of a free trade area between the three regional economic communities. In South America, regional integration has been further deepened through the establishment of the Union of South American Nations. These efforts towards harmonizing policies and programmes, in particular on transport, communications and customs, will help to facilitate transit transport and trade for LLDCs.

15. LLDCs and their transit neighbours have made progress in streamlining administrative procedures, harmonizing trade documents, simplifying border control procedures and improving coordination between border agencies to increase efficiency and reduce delays. They have implemented trade facilitation initiatives that have helped reduce time in transit and costs, such as use of the single window concept, one-stop border controls, the modernization and increased use of information and communications technologies for customs clearance, the establishment of dry ports and inter-modal transit transport systems, and the enhancement of logistics and supply chain reliability. Another example of best practice in trade facilitation is the implementation of the Convention on International Transport of Goods Under Cover of TIR Carnets.

16. As a result, transit time and transaction costs in international trade are now lower for a number of LLDCs. According to the World Bank report *Doing Business 2012*, the average number of documents that LLDCs require to export have decreased from 9 in 2006 to 8 in 2012 while those they require to import have decreased from 11 to 9. The average number of days required to complete export formalities has decreased from 49 to 43 and, in the case of import formalities, the number has decreased from 58 to 49 days. However, when compared to transit developing countries, where the average number of days to complete export and import formalities is 23 and 27, respectively, further efforts are required to improve trade facilitation and save time. Efficient border management and the coordination of agencies involved in border clearance have emerged as more critical than ever in achieving further reductions in transit time.

17. Eight LLDCs are currently following the procedure to accede to WTO. The WTO priority list for accessions, based on the maturity of the process in each acceding Government, shows that Kazakhstan and the Lao People's Democratic Republic are among the forerunners for early accession.

18. Aid for trade commitments to LLDCs have risen steadily since the period 2002-2005. Total commitments to LLDCs in 2010 stood at $9.1 billion — an increase of more than 100 per cent over the original baseline figure of $4.1 billion. LLDCs have benefited from aid for trade through enhanced capacity to mainstream trade within regional, national and sectoral policies. Net transfers of total official development aid to LLDCs from traditional donors increased from $12.1 billion to $25.3 billion from 2003 to 2010.

19. However, despite the impressive progress, LLDCs have not yet reached their full trade potential and much more remains to be done in order to increase that potential. Numerous challenges and significant financing gaps continue to be faced by LLDCs in their efforts to decrease economic distance to global markets, improve trade facilitation and enhance their integration in the world economy.

20. Economic growth and increased trade performance have not been accompanied by structural transformation and the development of strong productive capacities to improve the competitiveness of exports. In addition, there has been a lack of concrete policy interventions that instigate a change in the mix of exports towards a higher share of services and products representing low bulk, high-value goods, which would help to reduce the additional transaction costs that these countries incur in international trade owing to market distance and transit hurdles.

21. High trade transaction costs lie at the core of the continued marginalization of LLDCs within the world economy. The length of time required to get to the border, the lack of digital means to track cargo and the delays at ports continue to make trade transaction costs high. Inefficient logistics systems result in unpredictability in the supply chain of goods. This state of affairs highlights the importance of trade facilitation.

22. LLDCs have also been affected by a series of crises related to energy, food and the harmful effects of climate change. In addition, they face the challenge of income inequality that undermines efforts to reduce poverty.

23. Despite the progress made in infrastructure development, large gaps remain including poor quality transport infrastructure and missing links, which result in

high transport costs and continue to make trade physically difficult, if not impossible.

24. The stagnation of the Doha Development Round is of great concern to LLDCs, as it may negatively affect the fulfilment of the mandate to incorporate the "development dimension" into the multilateral trading system.

25. Owing to the recent global crises, many countries, in particular developed countries, enacted certain measures to bolster growth and employment in their domestic economies. The most recent World Trade Organization monitoring report of mid-June 2012 shows that Governments are still implementing new measures which restrict or potentially restrict trade and that this situation is further aggravated by the relatively slow pace with which Governments are rolling back existing, trade-restrictive measures. The accumulation of such restrictions is an issue of concern to LLDCs. Protectionism breeds further protectionism and the cumulative impact is one that is potentially disastrous for small and low-income developing countries.

III. Further efforts to accelerate the implementation of priority 3 of the Almaty Programme of Action

26. In view of the foregoing assessment, it is important to maintain and enhance the positive trends, and address the outstanding gaps and limitations.

Development objectives

27. Poverty reduction and sustainable and inclusive development are key and fundamental development objectives of landlocked developing countries. The structural transformation, including the modernization and specialization of the productive sectors and the improvement of physical infrastructure, has to be carried out in a way that is supportive to achieving national development objectives and internationally agreed development goals, including the Millennium Development Goals. It is important for LLDCs to implement pro-poor and inclusive economic growth policies.

Enhanced trade facilitation

28. The improvement of transport and trade facilitation is realistic only if LLDCs and their transit neighbours cooperate. In this regard, LLDCs and transit developing countries are invited to ratify and effectively implement international conventions and agreements, as well as regional and subregional agreements on transport and trade facilitation, since these measures can significantly improve the access of LLDCs to the sea. Greater awareness and understanding of the implications of accession to the international conventions are needed to accelerate the level of accession through capacity-building among policymakers and administrators involved in the negotiation and implementation of the international instruments. The mainstreaming of the conventions and other regional agreements at the national level is also important, as this action will make possible their incorporation in national plans and budgetary allocations.

29. Trade facilitation initiatives that have proved to work, such as the single window, one-stop border post, dry ports and use of the yellow card, should be replicated and fully funded.

30. Trade facilitation at international borders requires proper information and communications technology infrastructure to help in verifying compliance with stipulated norms, regulations and standards. For example, the modernization and computerization of customs operations through the ASYCUDA (Automated System for Customs Data) programme has helped to simplify documentation and procedures for facilitating trade while strengthening customs controls and preserving revenue collection. It is important to promote the use of information and communications technology infrastructure at borders in order to achieve progress in trade facilitation.

31. Trade logistics enhancement, transport market improvements and institution-building are essential to increase the efficiency of supply chains and obtain sustainable results.

32. Other measures to enhance trade facilitation include the creation of "development corridors" based on increasing efficiency of the important transit routes linking LLDCs with the major global markets; the elimination of physical barriers; the facilitation of border, customs and other administrative procedures in international road transport and transit; the creation of modern roadside services and facilities; and the facilitation of border crossing procedures.

33. Capacity-building is also important in improving trade facilitation, in particular the training of international road transport operators and customs and border clearance staff.

Developing productive capacities and improving competitiveness

34. The development and maintenance of physical transit transport infrastructure is still necessary to enable greater access of LLDCs to seaports and international markets. The establishment of a secure, reliable and efficient transit transport system, which is the overarching goal of the Almaty Programme of Action, therefore remains critical for LLDCs to be able to reduce transport costs and enhance the competitiveness of their exports in global and regional markets. The development and maintenance of supportive infrastructure, including distribution centres, intermodal points, dry ports, border structures and rest areas that are secure, are also important.

35. The creation of efficient transit corridors, the development of ancillary, logistics and intermodal infrastructure, and the facilitation of international road transport make an important contribution to the economic development and international trade of LLDCs. Special attention should be paid to the harmonization of legal and administrative regulations of road transport on the basis of international agreements and conventions; the liberalization of road transportation; the creation of modern and safe ancillary road infrastructure; the development of intermodal connections; and road safety improvement.

36. Further investment in the development of information and communications technology infrastructure is crucial for connecting LLDCs to international markets and for improving trade and transport facilitation. Energy infrastructure is important to enhance the participation of LLDCs in international trade and to further develop trade-related regional and national energy infrastructure.

37. Building a critical mass of viable and competitive productive capacity in manufacturing, agriculture and services is essential if landlocked developing countries are to better harness their trade potential.

38. The development of a strong science and technology innovation base, and enhanced human development and skills training are necessary to address many of the persistent and emerging trade and development challenges that LLDCs face. Cooperation in the transfer of appropriate technology will play a key role in this regard.

39. LLDCs need to nurture the formulation of supportive economic policies that can lead to the development of manufacturing and processing industries which add value to their raw materials. Depending on the needs of specific LLDCs, this may entail, inter alia, making efforts to develop entrepreneurship, creating an enabling business environment, developing domestic research capacity, enhancing workers' skills, facilitating investment, developing agribusiness and natural resource processing industries, and encouraging supportive infrastructure development.

Diversification and promotion of the services sector

40. There is a need for concerted measures and actions to support the efforts of LLDCs to reduce commodity dependence, including through the diversification of their export base and enhanced processing of the commodities. LLDCs also need to diversify their markets.

41. The services sector plays a strategic role in overcoming the obstacles faced by landlocked countries through its potential contribution to trade and development. Although the sector is critical for economic development in many countries today, the barriers to trade and restrictions on investment in the services sector remain higher than in the goods sector. This is particularly crucial as access to low-cost and high-quality producer services, such as telecommunications, transport, finance and distribution, will affect the overall productivity and competitiveness in goods and services of LLDCs. Improvements in the domestic provision of services require investment in human resources development and the effective applications of technology, in particular information and communications technologies, to the provision of services. Putting in place an enabling policy, regulatory and institutional environment will be a crucial step for enabling LLDCs to leverage the development benefits of services and services trade. In particular, such an enabling environment needs to be designed so as to enable LLDCs to exploit the potential of the expanding service economy and trade in services, to move service activities from the informal to the formal sector and from low to high value added sectors.

42. Policy and regulatory interventions in LLDCs should aim to enable them to avoid overreliance on one particular sector (e.g. minerals), to diversify into crisis-resilient sectors and to provide a means to lessen their vulnerability to external shocks. Investment should be attracted to the production of goods and services that are less sensitive to distance or transport costs. LLDCs should promote the production of higher value and lower bulk goods, such as precision instruments, information technology components and pharmaceuticals, or services in tourism, education, information and communications technologies, perishable vegetables, fruits, flowers and biotrade products. It is also important to promote investment in goods and services of creative industries, such as film-making, advertising and the production of cultural goods.

Promoting investment

43. Public and private investment, including foreign direct investment, should be strengthened. LLDCs should promote and sustain a business environment conducive to domestic and foreign direct investment, and encourage public-private partnerships. They need to develop or strengthen the legal and institutional framework to attract private investment in the transport, energy and telecommunications sectors, which are crucial for their economic development and competitiveness.

Enhanced regional integration

44. Close cooperation with the transit countries is a sine qua non for improved connectivity. Infrastructure, trade and regulatory policies, and the political stability of neighbouring countries have strong repercussions on the external trade of LLDCs. The costs of reaching international markets for LLDCs do not depend only on their geography, policies, infrastructures and administration procedures but also on those of neighbouring countries. Thus, regional integration and coherent and harmonized regional policies provide an opportunity to improve transit transport connectivity and to ensure greater intraregional trade, common regulatory policies, border agency cooperation and harmonized customs procedures, as well as to promote better coordination and the expansion of regional markets. The provision of support for ongoing regional integration processes in regions with LLDCs should be enhanced and partners should encourage such initiatives.

45. Trade facilitation measures included in regional trade agreements tend to cover the same issues as those that are being negotiated at WTO and they may be even more ambitious in their scope and the time given for their implementation. It is therefore important to promote the development, adoption and effective implementation of regional trade agreements.

46. The documentation, sharing and dissemination of best practices is important to enable cooperating partners to benefit from each other's experiences.

47. The exports of LLDCs often face tariffs that are higher within their region than in the rest of the world. Although high tariffs are not the only or even the main reason for the relatively low share of intraregional trade of many developing countries, abating some of these tariffs may have a great payoff in terms of regional integration and production sharing. It is therefore important to promote "developmental regionalism" aimed at fostering structural change and economic growth in LLDCs as a goal per se and as a means of collectively linking the region to the global web of market relations. UNCTAD, multilateral agencies and the United Nations regional commissions could serve as think tanks and consensus forums to promote developmental integration.

World Trade Organization trade negotiations

48. A fair, just, transparent, inclusive and foreseeable multilateral trade system based on development should support the effective opening of markets and the creation of opportunities for developing countries, in particular the most vulnerable and small ones, such as LLDCs. Faster progress in the Doha Development Round is required so that LLDCs can reap benefits, in particular in areas that have a strong positive impact on their trade flows, such as trade facilitation, market access and the

elimination of non-tariff barriers and other trade distorting measures, as well as implementation issues.

49. In a time of fragile economic recovery, the international community needs to address protectionism and redouble efforts to keep markets open and trade flowing. It should provide greater market access for goods originating in LLDCs to mitigate the high trade transaction costs stemming from their geographical disadvantages. These measures should be accompanied by the broad application of transparent and development-friendly preferential rules of origin to increase the utilization rate of current schemes and serve as an additional incentive for foreign direct investment in LLDCs.

50. LLDCs are major producers and exporters of agricultural products, and aim to negotiate for better market access and removal of trade-distorting measures, such as subsidies and concealed protectionism.

51. WTO negotiations must be conducted in a way that enables the effective, full and democratic participation of all WTO members by maintaining a multilateral, transparent, bottom-up and member-driven negotiation process in order to arrive at a successful conclusion with an ambitious, balanced and equitable outcome that ensures, inter alia, improved market access for the agricultural and non-agricultural export products of LLDCs.

52. Trade facilitation is an area of great importance in the current negotiations to reduce costs and guarantee the predictability of LLDC merchandise arriving at its corresponding destination. Improved trade facilitation will help LLDCs to gain a more efficient flow of goods and services as well as improved international competitiveness. The future agreement on trade facilitation, in the final outcome of the Doha Round, should contain binding commitments that ensure the freedom of transit, customs cooperation, expedited movement, the release and clearance of goods, as well as special and differential treatment with financial support.

53. National committees on trade facilitation should be promoted, as they are a useful mechanism to help countries to collaborate and identify win-win situations for different stakeholders. They are not only an important tool for analysing, negotiating and implementing trade facilitation commitments, but they are in fact also about to become an obligation under article 14 of the future WTO Trade Facilitation Agreement.

54. Of critical importance is the conclusion of the negotiations on the Doha Development Agenda, with development-related outcomes that take fully into account the trade and development needs, challenges and priorities of LLDCs.

55. LLDCs are still operating as an informal group in the current negotiations in Geneva and as such do not exercise sufficient pressure to advance their particular issues. There are benefits to formalize the group, such as support for accession, recognition of their specific needs and enhanced capacity to promote their concerns.

56. The LLDC group should broaden its negotiation agenda beyond trade facilitation and market access to include other areas of trade negotiations, such as supply-side constraints and services.

Accession to the World Trade Organization

57. The accession procedure for LLDCs should be simplified and there is a need to take into account the individual levels of development and the special needs and problems caused by the geographical disadvantage of being landlocked during the World Trade Organization accession process. All provisions on special and differential treatment reflected in the General Agreement on Tariffs and Trade and in all WTO agreements must be effectively implemented with regard to all acceding LLDCs.

58. Documentation and the sharing and dissemination of experiences and guidelines on WTO accession are important to enable LLDCs to benefit from each other's experiences.

Broadening the agenda

59. The promotion of trade should be addressed in a coherent and holistic manner, which ensures that broader aspects of development are also addressed beyond the transport issues. For example, efforts to improve the effective participation of LLDCs in the international trading system need to be accompanied by efforts to build productive capacity, promote value addition, diversification, technology transfer, information and communications technologies, infrastructure development and improved market access. In this context, the Almaty +10 Agenda should address downstream aspects of trade, such as new sectors and production methods. In addition, LLDCs will have to effectively mainstream trade into their sectoral and national development policies.

IV. Support of the international community

60. Bilateral and multilateral development partners should increase their technical and financial assistance in areas of interest to LLDCs in support of their national efforts to overcome the obstacles imposed by geography and to integrate LLDCs more beneficially into the multilateral trading system, improve their productive capacities and address supply-side constraints. This assistance should complement the national efforts of LLDCs aimed at diversifying the domestic production structure and ensure better integration into the global economy with competitive goods and services that minimize transaction costs related to their specific geographical situation.

61. The aid for trade initiative is important for enabling LLDCs to reduce the effects of the landlocked condition in their competitiveness and to take full advantage of international trade benefits by building productive capacity, trade-related infrastructure and trade development. The focus on regional, subregional and cross-border issues in aid for trade should continue to be a priority because of the reliance of LLDCs on multi-country transit corridors.

62. The next global review, in July 2013, with the theme "connecting to value chains", should map out the assistance provided to LLDCs and identify strategies for LLDCs to better access and exploit the potential benefits that value chains offer to them.

63. Development partners should effectively support the aid for trade initiative, giving adequate consideration to the special needs and requirements of LLDCs.

Areas of urgent support to LLDCs include trade-related supply-side constraints of landlocked developing countries, implementation of trade facilitation measures, building of human and institutional capacity to enable LLDCs to take advantage of trade opportunities, and establishment of efficient transit transport systems in all landlocked regions.

64. It is important to enhance South-South cooperation and triangular cooperation as a means to achieve diversified trade opportunities, additional foreign direct investment flows that contribute to the sustainable development of LLDCs, as well as cooperation in the transfer of appropriate technology.

65. Organizations of the United Nations system, in particular the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, UNCTAD, UNDP, the United Nations Industrial Development Organization (UNIDO), the regional economic commissions and other international organizations, in particular WTO, the World Customs Organization (WCO), the Common Fund for Commodities (CFC), IRU, the International Trade Centre (ITC), the World Bank, the Organization for Security and Cooperation in Europe, the regional development banks and the regional economic communities, are invited to strengthen, within the context of their respective mandates, their efforts to help mitigate the constraining development effects of being landlocked and to provide more and better targeted technical assistance for the structural transformation of the economies of LLDCs.

66. Relevant United Nations and other international organizations should provide greater support for strengthening the negotiating capacities of LLDCs and their ability to implement trade facilitation measures and for ensuring their effective participation in WTO trade negotiations.

New and emerging challenges

67. LLDCs need to be prepared to face the new and emerging challenges, and to boldly grasp opportunities. The international community should provide support to LLDCs for addressing the negative impacts of climate change on the availability of natural resources, in particular water and arable land. Desertification, land degradation and the scarcity of water for human consumption as well as for industrial and agricultural purposes pose a real threat to the livelihood of future generations in many LLDCs.

Unfinished agenda

68. LLDCs continue to face problems associated with their geography, in particular persistently problematic trade transaction costs. There is also a new landscape for international cooperation where emerging economies are playing a bigger role in international trade, technology transfer, investment and policymaking. New partnerships should provide a win-win solution. Transit cooperation should address not only access by LLDCs but also access by others to the markets and resources of LLDCs.

Almaty Programme of Action for landlocked developing countries

69. Efficient and effective preparations for and the successful organization of the 2014 comprehensive 10-year review conference on the Almaty Programme of Action are important, as outlined in General Assembly resolution 66/214.

70. Landlocked and transit developing countries and their development partners are encouraged to take a very active role in the preparatory process and to attend the comprehensive 10-year review conference in 2014 at the highest possible level.

71. The comprehensive 10-year review conference should formulate a successor programme of action that outlines concrete and comprehensive measures and actions to be pursued by LLDCs and their partners in order to enable LLDCs to integrate more effectively into the global trading system and move closer to achieving the internationally agreed development goals.

72. The relevant United Nations organizations, in particular the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, UNCTAD, UNDP, UNIDO, the regional economic commissions, other international organizations, in particular WTO, WCO, CFC, IRU, ITC, the World Bank, regional development banks, regional organizations, regional economic communities, national parliaments, the private sector and other stakeholders are invited to provide support and input to the preparation of a successor programme of action of the Almaty Programme of Action.

73. Donor countries and the international financial and development institutions are invited to make voluntary contributions to the trust fund established by the Secretary-General to support the activities related to the follow-up to the implementation of the outcome of the Almaty International Ministerial Conference, as well as the participation of LLDCs in the preparatory process and in the comprehensive 10-year review conference itself.

Expression of gratitude

74. The Thematic Meeting expressed profound appreciation to the authorities and the people of Kazakhstan for generously hosting this event.

Attachment

List of participants

National delegations

Armenia

Azerbaijan

Benin

Bhutan

Bolivia (Plurinational State of)

Botswana

Burkina Faso

Burundi

Cambodia

Central African Republic

Chad

China

Ethiopia

Germany

Italy

Kazakhstan

Kyrgyzstan

Lao People's Democratic Republic

Lesotho

Libya

Malawi

Mali

Mongolia

Nepal

Paraguay

Republic of Moldova

Rwanda

Spain

Swaziland

Tajikistan

Togo

Turkey

Uganda

United Republic of Tanzania

Zambia

Zimbabwe

Intergovernmental organizations

European Union

United Nations system and other international, regional and subregional organizations

Common Fund for Commodities

Conference on Interaction and Confidence-building Measures in Asia (CICA)

International Road Transport Union

TRACECA (Transport Corridor Europe-Caucasus-Asia)

United Nations Conference on Trade and Development

United Nations Development Programme

Economic and Social Commission for Asia and the Pacific

Economic Commission for Africa

Economic Commission for Europe

Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States

World Bank

World Customs Organization

World Trade Organization